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Tracking Sustainability in Free Trade Agreements: Issues of Interest for the Commonwealth

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Abstract

The scale of the challenge posed by the recent universal adoption of the 2030 Agenda and Sustainable Development Goals (SDGs) in relation to the achievement of economic, social and environmental objectives is formidable. In order to achieve the trade-related targets included in the 2030 Agenda and SDGs, understanding the trade policy levers with the most potential to advance them remains critical for policy makers. This includes at the bilateral as well as regional level. In this paper, the inclusion of criteria related to sustainable development within free trade agreements (FTAs) is critically reviewed. Through this analysis, the demand for greater coherence amongst levels of trade policy becomes obvious in order to more effectively promote the 2030 Agenda. Finally, impact assessments and review mechanisms will also need to be bolstered.

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Abbreviations and acronyms

CGE	computable general equilibrium
CS	Commonwealth Secretariat
CSR	corporate social responsibility
EU	European Union
FTA	free trade agreements
GVC	global value chain
ICTSD	International Centre for Trade and Sustainable Development
IISD	International Institute for Sustainable Development
MSME	micro, small or medium-sized enterprise
OECD	Organisation for Co-operation and Development
PPP	public-private partnership
SD	Sustainable development
SDG	Sustainable Development Goal
SIA	sustainability impact assessment
UNCTAD	United Nations Conference on Trade and Development
UNEP	United Nations Environment Programme
VSS	voluntary sustainability standards
WTO	World Trade Organization

1. Introduction

With the global adoption of the Sustainable Development Goals (SDGs) in 2015, the role of international trade *vis-à-vis* economic, environmental and social sustainability concerns has been officially reframed: from a prevailing vision of trade as a potential source of measures hindering the achievement of more sustainable economies, typical of the mid-1990s (see e.g. Barkin 2015), towards the Agenda 2030 vision of trade as a key ‘financial and non-financial’ area through which the policy targets substantiating the SDGs can be achieved (UNCTAD 2015).

Concurrently, both the liberalisation of merchandise and services trade, and flanking measures to streamline regulation affecting trade across sovereign entities, have experienced their own paradigm shift: from talks held (mostly) by the rules of the open multilateral arena – the World Trade Organization (WTO) – to the ostensible preference of countries to negotiate free trade agreements (FTAs), either bilaterally or within small groups.¹

These recent trends have resulted in a greater focus on the practice of including sustainable

development (SD) chapters, or dedicated SD sections, in FTAs. While major global players such as Canada, the European Union (EU) and the United States (US) have included SD chapters, as well as related clauses, in their FTAs over the last decade, a lively body of literature is now emerging to more critically analyse the FTAs-SD nexus.²

Within this context, this paper advocates for greater ownership of the FTAs-SD agenda, by Commonwealth developing and Least Developed Countries. This is because SD priorities could be better advanced through improvements in relevant FTA clauses and sections. This paper is organised as follows. First, an overview of some of the issues at stake for Commonwealth developing countries in relation to the SD agenda and FTA-nexus is provided. Second, the recent practice of including dedicated SD sections in FTAs are viewed. Finally, this paper concludes with a number of trade policy considerations with a view to more effectively advancing the SD agenda.

2. Background

Why should the member countries of the Commonwealth be particularly concerned with the FTAs-SD nexus? The following facts are helpful in answer this question:

- Out of 100 countries classified as most vulnerable to climate change, 45 are Commonwealth states, 31 are Commonwealth small states and 27 are Commonwealth small-island developing states (Commonwealth Secretariat 2013). The potential of trade policy to facilitate or hinder climate change mitigation and adaptation is obviously critical.
- Commonwealth countries rank prominently as producers of many highly traded precious metals including gold, diamonds, platinum and copper, as well as natural gas (Commonwealth Secretariat 2013). Measures related to more sustainable
- consumption, production and responsible global value chains (GVCs) which affect international trade and investment patterns, become amplified within the context of highly concentrated export structures.
- Many Commonwealth states have extensive coastlines, hence their interest in sustainable management of the ‘blue economy’ (Commonwealth Secretariat 2013).³ The blue economy comprises traditional economic sectors linked to the ocean, such as fisheries, aquaculture and tourism, as well as innovative sectors linked, for instance, to the production of renewable energy. As the growth of these sectors is mostly trade-led, the importance of formulating SD-sound trade policies becomes self-evident.
- In Commonwealth countries, more than 50 per cent of citizens are under the age of 30. In 31 of the 54 Commonwealth states,

more than one-fifth of the total population is under the age of 14. Moreover, the majority of firms in the Commonwealth are micro, small and medium-sized enterprises (MSMEs) (Commonwealth Secretariat 2013). This young population and MSMEs has the potential to benefit greatly from the availability of new technologies, including as a means to overcome geographical marginalisation through e-commerce and digital trade. However, unnecessary trade barriers must be tackled and market access facilitated through access to trade finance and other key services.

- Finally, while the tradition of many Commonwealth member countries to liberalise trade through FTAs is firmly established in history and current practice (Ukkusuri *et al.*, 2016), the potential post-Brexit negotiating scenarios arguably increase the level of attention of the Commonwealth in the design, craft, and implementation of FTAs (Mendez-Parra *et al.* 2016).

Given these facts, there are some obvious opportunities for Commonwealth policymakers, civil society, businesses and academics to tackle some of the frictions, as well as better harness the potential synergies, between trade policy tools and sustainability concerns. This is so as to construct greater welfare-enhancing policy outcomes.

The global network of FTAs has expanded tremendously over the last 25 years, and

Commonwealth member countries have so far made extensive use of FTAs as a means of liberalising their foreign trade regimes.⁴ As analysed by Ukkusuri *et al.* (2016), ‘the trade network surrounding the Commonwealth is separated into three strongly connected communities or clusters [i.e. Global, European, and African]. Countries within a cluster are highly interconnected and/or have high volumes of trade with other members’. This pattern differs to that observed globally, with three main hubs of global economic activity concentrated in the US, EU and Asia. As described by Ukkusuri *et al.* (2016) typically, the trade policy objectives of any country include association with as many countries in different clusters as possible. This is because association with countries which have played prominent roles in different clusters can help trade promotion and strengthening. Finally, because FTAs play an important role in helping a country position itself in the global trade arena, they should be pursued in a prioritised manner.

Whilst such a negotiating strategy much yield suitable outcomes in terms of commercial objectives, an alternative approach may be necessary in order to better advance SD objectives through the pursuit of FTAs. Given this, in the following Section some of the issues and options relating to the design of FTAs and more effective SD-related provisions are explored.

3. Sustainable development chapters and sustainability impact assessments

The nexus between trade and SD has evolved significantly over the period 1995–2015: since the birth of the WTO to the adoption of the SDGs (Table 1).

The evolution presented in Table 1 is not only proof of a quantitative increase in officially recognised trade-SD linkages. It also provides evidence of movement away from policy conflicts towards synergies. This change in tact has been informed by research and analysis in fields as diverse as environmental, behavioural

and development economics, law, international political economy, natural sciences, philosophy and history.⁵ In other words, the breadth of the debate underpinning the trade-SD nexus is at least as wide as the scope of the modern SDGs, which further seek the resolution of conflicts not least through providing policy guidelines.

More generally, the move towards a full uptake of SD as a holistic approach towards trade policymaking is clear given the movement from adding targeted environmental provisions

Table 1. Evolution of the official narrative on the trade and SD nexus, 1995–2015

How trade looked at SD in 1995	How SD looked at trade in 2000	How SD looked at trade in 2015
<p>From the preamble to the agreement establishing the WTO, 1995:</p> <p>WTO members recognise that 'their relations in the field of trade and economic endeavour should be conducted with a view to raising standards of living, ensuring full employment and a large and steadily growing volume of real income and effective demand, and expanding the production of and trade in goods and services, while allowing for the optimal use of the world's resources in accordance with the objective of sustainable development, seeking both to protect and preserve the environment and to enhance the means for doing so in a manner consistent with their respective needs and concerns at different levels of economic development.'</p>	<ul style="list-style-type: none"> • Direct references to trade in the millennium development goals (MDGs), 2000: • Goal 8: Develop a global partnership for development. • Target A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system • Target B: Address the special needs of the least developed countries • Target C: Address the special needs of landlocked developing countries and small-island developing states • Target D: Deal comprehensively with the debt problems of developing countries • Target E: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries • Target F: In cooperation with the private sector, make available the benefits of new technologies, especially information and communication 	<ul style="list-style-type: none"> • Direct references to trade in the SDGs, 2015: • Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture • 2.b: Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round • Goal 3: Ensure healthy lives and promote well-being for all at all ages • 3.b: Support the research and development of vaccines and medicines for communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the Trade-Related Aspects of Intellectual Property Rights (TRIPS) Agreement and Public Health, which affirms the right of developing countries to use to the full the provisions in the TRIPS agreement regarding flexibilities to protect public health, and, in particular, provide access to medicines for all • Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all • 8.a: Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries • Goal 9: Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation • 9.3: Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets • Goal 10: Reduce inequality within and among countries • 10.a: Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with WTO agreements. • Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development • 14.6: By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognising that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the WTO fisheries subsidies negotiation • Goal 17: Strengthen the means of implementation and revitalise the Global Partnership for Sustainable Development • 17.10: Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO, including through the conclusion of negotiations under its Doha Development Agenda (DDA) • 17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020 • 17.12: Realise timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with WTO decisions, including by ensuring that preferential rules of origin applicable to imports from least developed countries are transparent and simple, and contribute to facilitating market access

in FTAs, to that of including more comprehensive SD chapters or more specific sections in the texts of the agreements (Jinnah and Morgera 2013). As noted in the literature, SD chapters included in FTAs represent a milestone in political achievements. They have been helpful in bringing SD considerations into the political discourse surrounding FTAs. Hence, they make a substantial contribution to the progressive development of SD norms and guidelines, particularly as they relate to the trading world (Marin-Duran 2013). SD chapters also serve a more immediate purpose: they set forth or reinforce parties' obligations in matters covered by selected multilateral environmental agreements and various fundamental International Labour Organization treaties and standards. As sampled in Table 2, their coverage identifies some typical norms as well as variations and evolutions over time and types of trade negotiations.

Two observations are clear even from such a limited comparison as summarised in Table 2. First, whenever the constitutive pillars of SD are broken down into provisions within or in the proximity of SD chapters, only the environmental and social pillars are considered. Second, and this is not self-evident in Table 2, the EU's SD chapters are generally carved out from the main free trade agreement (FTA) dispute resolution system.

With regard to the first consideration, the question arises as to the fate of the economic sustainability pillar. While economic sustainability is frequently cited in SD chapters and in the preambles of FTAs, specific economic sustainability subsections are generally not included in the text of agreements. One may be prompted to explain this omission by arguing that the core objectives of FTAs are about economic growth and efficiency in the first place, hence dispensing parties from the need to address the specifics of economic sustainability. However, economic sustainability is widely regarded as something which goes beyond economic growth or efficiency, and is no less important than environmental or social sustainability. In fact, while the economic viability of any policy promoting environmental and social objectives is considered the key to creating incentives for businesses to uphold SD considerations, concerns related to economic sustainability – including a balanced, long-term distribution of costs and benefits deriving from

new markets opening, as well as the setting-up of appropriate social safety nets and compensation mechanisms – are invariably at the core of technical discussions. They are also usually at the core of civil society's concerns before, during as well as after FTA negotiations.

How to give meaning, then, to economic sustainability in the context of an FTA? In the EU context, an answer is provided by the public consultations and technical work which leads to the preparation of the so-called trade sustainability impact assessments (SIAs). An SIA is: 'an approach for exploring the combined economic, environmental and social impacts of a range of proposed policies, programmes, strategies and action plans' (OECD 2010). With regard to economic sustainability considerations, the latest EU guidelines (issued in 2016) for SIAs conduct states the following: 'economic modelling should be used to assess the likely consequences of the policy changes on variables such as output, trade flows, prices, fiscal revenues (including revenues foregone), income and welfare. Attention should also be paid to expected impacts on competitiveness and impact on SMEs, making use of the respective Commission guidance' (EC 2016).

The Commission then stresses how the results of such models should be read in conjunction with flanking qualitative analyses. However, in practice this is rarely undertaken within the construct of a rigorous mixed-methodological framework. Computable general equilibrium (CGE) simulations remain the main quantitative modelling exercise within these analyses. It has been noted by many that their limitations – which derive mostly from the assumptions upon which they are constructed – must be spelled out upfront when publishing their results (De Ville and Siles-Brugge, 2014). CGE simulations represent one data source on the potential effects of policy changes, but as Piermartini and Teh (2005) conclude: 'the tail should not wag the dog.' This research method becoming increasingly problematic in view of new understandings of global trade in GVCs, as opposed to final goods. Moreover, for many Commonwealth countries the absence of social accounting matrices and reliance of proxy data further undermines their use.

Switching to the second consideration, regarding the carve-out of SD chapters from the general FTA dispute resolution system, it should

Table 2. Examples of subjects covered by EU SD chapters

EU-South African Development Community, 2015	CETA (EU-Canada), 2016 (not in force)	EU-Singapore, 2015 (not in force)
<p>Chapter II: Trade and Sustainable Development</p> <p>Art. 6: Context and objectives</p> <p>Art. 7: Sustainable development</p> <p>Art. 8: Multilateral environmental and labour standards and agreements</p> <p>Art. 9: Right to regulate and levels of protection</p> <p>Art. 10: Trade and investment favouring sustainable development</p> <p>Art. 11: Working together on sustainable development</p>	<p>Chapter XXII: Trade and Sustainable Development</p> <p>Art. 22.1: Context and objectives</p> <p>Art. 22.2: Transparency</p> <p>Art. 22.3: Cooperation and promotion of trade supporting sustainable development</p> <p>Art. 22.4: Institutional mechanisms</p> <p>Art. 22.5: Civil society forum</p> <p>Chapter XXIII: Trade and Labour</p> <p>Art. 23.1: Context and objectives</p> <p>Art. 23.2: Right to regulate and levels of protection</p> <p>Art. 23.3: Multilateral labour standards and agreements</p> <p>Art. 23.4: Upholding levels of protection</p> <p>Art. 23.5: Enforcement procedures, administrative proceedings and review of administrative action</p> <p>Art. 23.6: Public information and awareness</p> <p>Art. 23.7: Cooperative activities</p> <p>Art. 23.8: Institutional mechanisms</p> <p>Art. 23.9: Consultations</p> <p>Art. 23.10: Panel of experts</p> <p>Art. 23.11: Dispute resolution</p> <p>Chapter XXIV: Trade and Environment</p> <p>Art. 24.1: Definition</p> <p>Art. 24.2: Context and objectives</p> <p>Art. 24.3: Right to regulate and levels of protection</p> <p>Art. 24.4: Multilateral environmental agreements</p> <p>Art. 24.5: Upholding levels of protection</p> <p>Art. 24.6: Access to remedies and procedural guarantees</p> <p>Art. 24.7: Public information and awareness</p> <p>Art. 24.8: Scientific and technical information</p> <p>Art. 24.9: Trade favouring environmental protection</p> <p>Art. 24.10: Trade in forest products</p> <p>Art. 24.11: Trade in fisheries and aquaculture products</p> <p>Art. 24.12: Cooperation on environment issues</p> <p>Art. 24.13: Institutional mechanisms</p> <p>Art. 24.14: Consultations</p> <p>Art. 24.15: Panel of experts</p> <p>Art. 24.16: Dispute resolution</p> <p>Chapter XXV: Bilateral Dialogues and Cooperation</p> <p>Art. 25.1: Objectives and principles</p> <p>Art. 25.2: Dialogue on Biotech Market Access Issues</p> <p>Art. 25.3: Bilateral Dialogue on Forest Products</p> <p>Art. 25.4: Bilateral Dialogue on Raw Materials</p> <p>Art. 25.5: Enhanced cooperation on science, technology, research and innovation</p>	<p>Chapter XIII: Trade and Sustainable Development</p> <p>SECTION A: Introductory provisions</p> <p>Art. 13.1: Context and objectives</p> <p>Art. 13.2: Right to regulate and levels of protection</p> <p>SECTION B: Labour aspects</p> <p>Art. 13.3: Multilateral labour standards and agreements</p> <p>Art. 13.4: Labour cooperation in the context of trade and sustainable development</p> <p>Art. 13.5: Scientific information</p> <p>SECTION B: Environmental aspects</p> <p>Art. 13.6: Multilateral environmental standards and agreements</p> <p>Art. 7: Sustainable forest management and trade in forest products</p> <p>Art. 8: Trade and sustainable management of living marine resources and aquaculture products</p> <p>Art. 9: Trade and investment favouring sustainable development</p> <p>Art. 10: Upholding levels of protection</p> <p>Art. 11: Scientific information</p> <p>Art. 12: Transparency</p> <p>Art. 13: Review of sustainability impacts</p> <p>Art. 14: Working together on trade and sustainable development</p> <p>Art. 15: Institutional set-up and overseeing mechanism</p> <p>Art. 16: Government consultations</p> <p>Art. 17: Panel of experts</p>

be noted that this is typical of the incentive- and cooperation-based EU approach to mainstreaming social and environmental safeguards in FTAs. This approach can be compared to the US sanction-oriented approach (even though

scholars report about convergences in the two approaches in recent FTA negotiations, e.g. Morin and Beaumier 2016). In general, the EU sets up a special panels of experts, consultative committees, courses of action and timeframes

for the issuance of reports. The publication of which generally rests upon the will of the party concerned. While available data do not warrant a comprehensive empirical test of the effectiveness of this approach thus far, credible qualitative observations suggest that fears of weak enforcement outcomes arising (e.g. Rimmer 2016) have sometimes been realised (see Orbie and Van den Putte 2016; Marx *et al.* 2016).

Finally, and in broader terms, a comparative reading of selected SIAs and their outcomes in FTAs reveals that the recommendations included in SIAs are only partly transposed into the final texts of the agreements. As the detailed negotiation history of FTAs is generally not accessible to the general public, how the SIA recommendations become legal obligations, best endeavour provisions, other mechanisms, or plain omissions, often remains obscure. All in all, no one really knows how and why the specific policy guidelines and substantive legal obligations included in SD chapters happen to be there (Jinnah and Morgera 2013).

While civil society concerns have been voiced regarding the potential for FTA provisions to limit the autonomy of parties to enact climate-friendly legislation,⁶ doubts linger

regarding the effectiveness of SD chapters as a vehicle for tackling the most important sustainability implications of FTAs. It appears, for instance, that even in FTAs where an SD chapter is included, several other substantive provisions, including those on subsidies, government procurement, regulatory cooperation, technology transfer, corporate social responsibility (CSR), establishment, investment, intellectual property, and trade in specific SD-sensitive commodities, could actually be much more effective in prioritising triple-win SD policies.

These brief considerations, read in conjunction with the 2015 Paris Agreement and what it entails in terms of national policy formulation (Granoff 2016), potentially make the design of SD-sound FTAs more complex, as well as demanding on national policymakers in terms of policy coordination and consistency. The overall SD agenda is challenging for countries at all levels of development, but certainly so for capacity-constrained countries. Given that prioritising is both wise and necessary, the concluding section tries to highlight some priority areas in the FTAs-SD nexus where greater ownership could be taken in order to more effectively advance priorities.

4. Concluding remarks and policy implications

Recognition of the role of trade as a means of implementing the SDGs, together with an increasing appetite for FTAs, combined, represents an important vehicle to advance SD-related strategic interests. In order to address critical policy areas such as climate change, extractive industries, the oceans economy and young people/MSMEs, a greater focus on the SD norms, provisions and sectoral annexes included in FTAs is required:

- *Climate change:*⁷ in the wake of the 2015 Paris Agreement, and considering the enhanced role of the private sector as both a donor and a recipient of climate-friendly investment (Cosbey 2016), the negotiation of FTAs provides Commonwealth countries with an opportunity to be creative when discussing climate change-specific clauses,
- *Extractive industries:* As recently suggested, areas to address SD issues in extractive industries include: (1) coordinating actions on adhering to voluntary sustainability standards (VSS) and the upgrading of related regulations. This could include technical and financial assistance to support efforts to meet sustainability criteria; (2) ensuring

as they relate to trade in goods, services and investment flows. This creativity could mean, for instance, going beyond coordination of carbon-pricing policies and the endorsement of emission-trading schemes, and instead including specific pledges regarding private sector development, public-private partnerships (PPP), funding for R&D, and concrete pledges for financial and technical cooperation with the overall commercial objectives of the given FTA.

- a fairer distribution of benefits through identifying areas for increasing value added. This could be achieved through local content requirements and other forms of regulatory cooperation; and, (3) coordinating regulatory actions on export taxes and other trade restrictive measures. Policy space limitations could be compared to trade concessions, as well as technical and financial assistance to assist diversification efforts.
- *The oceans economy*: the total value of the blue economy is an estimated US\$2.4 trillion per year.⁸ FTAs may well serve as a basis for starting cooperation on transparent PPP frameworks and other contractual forms to develop the potential of emerging blue economy sectors. Moreover, they may serve as platform for firmly establishing technical and financial cooperation pledges to overcome constraints on producers meeting requirements linked to VSS and company codes on sustainable business practices in the fisheries, aquaculture and tourism sectors. This is in addition to support on meeting regulatory requirements regarding sanitary and quality specifications, or on the fight against illegal, unreported and unregulated fishing activities. FTAs could also be a good place to crystallise transparency requirements for the transfer of fishing rights.
 - *Young people, access to credit, MSMEs, and new technologies*: the SDGs do not directly mention issues related to trade in services in general (Hoekman 2016), or regarding financial inclusion and trade in financial services, in particular (Klapper *et al.* 2016). Nonetheless, access to such services is vital to private sector development. MSMEs often depend on trade finance in order to enter new markets. These issues can all be addressed explicitly in FTAs: access to financial services can be facilitated through specific commitments in service schedules. The FTA provisions and chapters on financial services can help to make more funds available for business investment and job creation (PwC 2015). Whilst many FTAs include provisions regarding the prohibition of any restrictions on capital transfers between residents of the signatory countries and encourage the free flow of funds, more explicit linkages could be made in relation to the provision of trade finance for development (e.g. small business and agricultural sectors).⁹ A specific screening analysis can be conducted in the process of FTA talks, to analyse which physical trade barriers hinder the growth of e-commerce and digital trade the most.

Notes

- 1 See Yeon Kim (2015).
- 2 Studies concentrate, for instance, on the importance of FTAs for monitoring progress in the implementation of trade-related targets for sustainable development goals, how and why SD considerations are reflected in the final legal architecture of FTAs, legal commentaries on SD or environmental chapters and relevant provisions, policy analyses on specific FTAs and their implementation challenges, or comparative analyses on critical subject areas – including subsidies, trade remedies, investment and intellectual property rights – as they relate to SD considerations.
- 3 The ‘blue economy’ is an evolving concept that recognises the need to maximise the enormous economic potential of oceans while preserving it for future generations. Although the idea of using oceans for economic gain is hardly new, the growing appreciation of the critical role that oceans play in sustainable economic growth and, as a corollary, the need to better manage and protect the ecosystems and resources that are the fundamental basis for that growth, are recent developments (Roberts and Ali, 2016).
- 4 A new global database on the scope of FTAs and other Preferential Trade Agreements is available here: <http://data.worldbank.org/data-catalog/deep-trade-agreements>.
- 5 See IISD and UNEP (2014).
- 6 See Farron (2016).
- 7 While various commentators stress that the carbon footprint of traded goods tends to increase with productive capacity moving from developed to developing countries (Peters *et al.*, 2010), and that the net impact of trade over climate change tends to be ambiguous, as it depends on many parallel but not interdependent variables (Onder 2012), this subsection concentrates on the positive linkages that can be created between trade openness and climate change-related action (Cosbey 2016).
- 8 As explained by Roberts and Ali (2016).
- 9 See PwC (2015) for further details.

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